



STATE SENATOR Lawrence Borst

District 36



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In one of the previous newsletters, I made the comment that this General Assembly was merely treading water while waiting for the conference committee to occur. Any conference committee will not happen until sometime after the first week of April. The budget is expected to be passed out of the House before the first of March. The Senate will hold hearings and deliberate for another three to four weeks and return the bill to the House. Chances are great that the House will not concur in the Senate amendments, and a conference committee will then be formed.

The committee consists of one member of each of the four legislative caucuses: two members from the House and two members from the Senate with both political parties evenly represented. These conferees and their advisors will openly and covertly attempt to iron out the differences.

The Future of the Budget Bill

The hotly contested race for Speaker of the House has left some of the House Democrat members with bad feelings. Whether or not these animosities will carry over and affect the budget remains to be seen. Since the Democrats have 51 members in the House, and it takes 51 votes to pass the budget bill, I would look for the construction of the budget to be more realistic than has happened in recent years. The 49 Republicans aver that they will vote as a unit and not waver. No matter what, securing 51 votes will be no easy task.

The Republicans in the Senate have not seriously discussed philosophies towards financing the state budget as of yet. I am of the opinion that the state should live within its income. I voted against the budget two years ago since I did not think that the economy was going to rebound. Unfortunately, events have borne out my reasoning. The present budget has been over appropriated by about \$1 billion. Indiana is in a fiscal mess. I believe that the legislators must become realistic and stop using smoke and mirrors and other gimmicks to balance the next budget.

The Expansion of Gambling

The House Democrats also seem to be hearing legislation that would extend every kind of gambling that one can think of. There is consideration of pull tab machines in

four betting parlors throughout the state. There is legislation that would allow legal slot machines in every bar and club in the state of Indiana. Legislation will also pass the House allowing for one more riverboat casino. All of this gambling expansion talk is to secure more money for the state general fund. I hope that when this session has been completed that Indiana is not that desperate for money.

The Senate Republican Viewpoint

The Senate Republicans may be willing to construct a budget that adequately funds state and school operations the first year of the budget, and not so well the second year of the cycle. Hopefully, the situation in Iraq will be somewhat solved by July 2004, and the world's economy will have recovered from its present stagnant mode, allowing the Indiana economy to move ahead. The Iraqi problem is holding up an economic rebound that would likely happen otherwise. If there were an economic improvement in Indiana a year from now, more income to the state would be available to enhance budgetary appropriations for the budget year 2004-2005.

No matter what happens around the world, state government and local schools will not receive the level of funding that they are seeking. There has been no movement to increase any of the major taxes on individuals that I know of; however the tax on cigarettes may come under discussion. The special session of 2002 increased the tax on a package of cigarettes nearly 40 cents for a total 55.5 cents. Kentucky is still at three cents a pack, but Ohio, Michigan and Illinois are around \$1 per package.

Trying to live within the state's income will be a novelty. It will have been at least 10 years since this concept was a reality.

Other Legislative Matters

I made the comment to no one in particular last week that the "legislature always finds something to amuse itself while waiting for the conference committee on the budget." This session, there are at least three instances of a furor over legislation that may have had no real reason for even being introduced. Each piece of legislation is in response to an interested party that sought to have certain rules and regulations overturned by a state regulating agency

and were rebuffed. Legislation was then introduced that would overturn the decision of the regulating agency.

SBC vs. AT&T and WorldCom

In the case of SBC, the company is spending millions on a public relations program to emphasize its position. The major opponents of SBC-AT&T-World Com are spending probably as much. Other than the maze of lobbyists for the gambling interests, I have never seen so many hired guns, representing both sides, working the halls of the legislature for one issue. I was informed by a company official that I will receive over 700 calls, e-mails and regular mail from the present and past employees of SBC. Fine, no problem. The opponents may also have that many contacts directed my way. The SBC legislation did pass the House and will probably be assigned to a committee of which I am a member.

What is a Grocery Store?

I sat through a committee hearing last week regarding legislation that sought to re-define the legal description of a "grocery store." In order to have a permit to sell liquor, strict definitions must be adhered to. The proposed definition would have restricted the definition and allowed more large grocery stores to legally sell liquor. Others, such as Dinner Bell on Shelby Street, might have been legislated out of the business, or else Dinner Bell would have to revert to being an all-purpose store. This legislation is not needed and should not have been heard in committee. In the end, I doubt if there is any change to the current status.

Horse Racing Subsidies

The third instance was legislation that I scheduled to be heard in the Senate Finance Committee. Senator Greg Server felt that the Indiana Racing Commission, by rule, was being unfair in dividing the money authorized by the state, between the horse race track in Anderson and the new track in Shelbyville. When the pari-mutuel legislation passed the General Assembly in the 1990s, the gen-

eral thought was that any state money should be split evenly between the number of horse race tracks that came into being. The racing commission applied a new formula to the money, the split was not even, Shelbyville was upset, and the legislation was written and presented. A hearing was held, the vote taken, and the bill was recommended "Do Pass" to the rest of the Senate. I also doubt that this legislation will have a successful journey through the General Assembly.

In the three outlined instances, big bucks are at stake. Benefits to the public or to the consumer are secondary. One side of the issue seeks to obtain an advantage over the other side. If someone feels they have been slighted by a regulatory agency, then relief should be sought from the courts and not the legislature. Hopefully, compromises will be worked out by all concerned.

Charter Schools

I conducted several meetings this past week in an attempt to solve the funding problems of the new charter schools. This bill, SB 50l, is now in the Senate Finance Committee. About l400 students are enrolled in the various charter schools in Indiana. The timeliness of payments from the state and from the counties needs to be worked out. This bill will be worked out in the next 10 days.

Contact

The legislative halfway point of this session will be on March 4th. If you have any opinions on legislation, want to have a child to be a page, or if I can be of any help, please call me at the Statehouse or at home.

Talk with Judith, 232-9517, at the Statehouse. My home number is 88l-l761.

Thanks for the opportunity to serve.

